

NEW JERSEY SRF TRANSFER AUTHORITY NEWARK, NJ LEAD IN DRINKING WATER

Background:

- In November, Senate appropriations committee staff, along with staff for Senator Cory Booker, contacted EPA regarding the City of Newark's interest in receiving \$75 million with 100% subsidy (no repayment required) from the New Jersey Drinking Water State Revolving Fund (DWSRF) to address lead in drinking water concerns by replacing lead service lines.
- New Jersey's DWSRF program may not have sufficient funds to address Newark's request while also providing financing to other communities for infrastructure improvements that are needed to protect public health and ensure compliance with drinking water standards.
- To inform discussions with Senate staff, the EPA's drinking water program explored potential use of existing statutory authorities that give states some ability, within limitations, to transfer funds between their Clean Water and Drinking Water SRFs' annual capitalization grants. The EPA is also exploring other potential sources of funding outside of the SRFs.
- See Fact Sheet on Lead in Drinking Water in Newark

Key Points:

- New Jersey appears at this time to have fully used its ability to apply the existing transfer authority.
- The EPA has provided technical assistance on draft appropriations language that would provide a new, additional transfer authority, which could allow New Jersey to choose to transfer additional CWSRF funds to the DSWRF.
- The transfer authority described in technical assistance could enable a state, with concurrence from the EPA Administrator, to transfer limited additional CWSRF funds that are necessary to help address public health issues due to lead in drinking water, or in instances where a federal or state emergency declaration has been issued due to such a threat from lead in a municipal drinking water supply. Eligible recipients would be able to receive these funds without a repayment requirement.

Talking Points:

- The EPA is currently working with Newark and the State of New Jersey to address lead levels in drinking water.
- The EPA is providing technical assistance to the state to identify improvements that will ensure the protection of public health and the environment.